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ABSTRACT

Most public schools, out of financial necessity, have had to reduce costs while maintaining facilities and essential programs and remaining accountable for student outcomes. School downsizing can mean making painful decisions about program elimination and staff layoffs. This digest offers suggestions for using downsizing to some advantage--identifying and reducing programs of limited benefit, making instructional programs more focused and defensible, gathering detailed information about district staff's efforts, and utilizing staff ideas for cutting costs. The digest highlights examples of program ranking systems, such as the four-tier model, that help administrators decide which programs to cut. The digest also identifies what information is most valuable in planning reductions, and identifies who should be involved in the decision-making process. The digest also highlights ways to prevent low staff morale and discusses the effect of downsizing on staff creativity. (Contains six references.) (LMI)

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# Can Cutbacks Leave School Programs Viable?

*by James Weber*

Following the recession of the early 1990s, American industry cut operations, keeping just enough staff to thrive at the bottom line. Likewise, most public schools, out of financial necessity, have had to reduce costs, while maintaining facilities and essential instructional programs and remaining accountable for student outcomes.

School downsizing can mean making painful decisions about program elimination and staff layoffs. When the graceful options are exhausted, what can be done? Like pruning an orchard, the downsizing of schools can be used to some advantage—discovering and reducing programs of limited benefit, making instructional programs more focused and more defensible, gathering detailed information about district staff's efforts, and tapping into staff ideas for cost-savings.

## How Can We Decide Which Programs To Cut?

Preparation is the best approach. With an ongoing program of self-examination, a district may not have to experience the wholesale layoffs, unattended school grounds, and dark buildings that we imagine in our worst daydreaming. With preparation, downsizing will look like the pruning that well-run operations experience periodically.

Distinguish essential from nonessential services in advance. Rank programs according to whether they meet legal requirements or satisfy student and community needs. Writing about a successful approach that alienated neither the community nor staff, Susan Black (1991) suggests a four-tier model for ranking programs.

- *Tier 1*—programs mandated by law, school board policy, accreditation concerns, state board of education, or school contracts. These programs cannot be eliminated or, usually, much reduced. With care, they may be reorganized.
- *Tier 2*—core programs and graduation requirements. These programs, too, cannot be eliminated, but they can be reorganized or reduced, as long as the services are provided adequately, according to community standards.
- *Tier 3*—scheduled academic, elective, and support programs, such as the fourth year of a language. Being careful to meet student needs for basic education, these programs can be reorganized, reduced, or eliminated.
- *Tier 4*—truly optional programs. These programs can—and perhaps should—be reduced, reorganized, or eliminated.

Placing programs into the lower tiers requires that several criteria be met: low enrollment; high cost; low student-teacher ratio; limited contact with students; schedule conflicts with more essential programs and courses; and duplication of services in the district.

A similar approach has been used for budget reductions in one Oregon district. Using three tiers, administrators in the North Clackamas district identified those programs and courses that (1) are required and directly affect student graduation and promotion, (2) are essential in supporting student graduation, and (3) are nonessential for graduation and promotion. The flexibility of their approach appealed to a wide range of stakeholders (Daniel Duke and Timothy Carman 1993).

## What Information Is Most Valuable in Planning Reductions?

A system to rank services relies upon getting accurate and current information about the district's programs.

- Rely on facts, not just advice. Before considering downsizing staff, organizations can primarily rely on summary advice from their managers or principals about priorities. Unfortunately, these opinions may be unintentionally biased, favoring the status quo.
- Obtain detailed information about district jobs—actual duties, that is, and potential job redundancies. Conduct an organizational review, J. Kent Oehm (1991) suggests, that obtains reasonable levels of detail about how employees actually use their time. Not so simple as consulting the job descriptions, this involves actually interviewing a sample of staff and administrators, observing how programs function and their rates of success.
- Get information about possible cost-savings from staff. Asking employees how the company can save money and can turn out products more efficiently has worked well in corporate life.

## Who Should Be Involved?

Get buy-ins from as many interested groups as possible. A plan for restructuring a school or district should not be a secret. Several groups may be directly affected by

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decisions to reduce staff or services. Such stakeholders include parents and students, the teachers and their union, noninstructional staff, and building administrators. Planners should come prepared with accurate and current data. Adequate opportunities for comment and suggestions can turn up uncertainties and gaps in information.

Regular progress reports from the committee planning reductions in programs can be made to the superintendent, to the board, and to open meetings involving the community.

In 1991-92, the North Clackamas, Oregon, school district worked out a restructuring that included input from representatives of all district programs as well as from community groups via town hall meetings. The restructuring committee then took this information into account in offering a plan to the school board. The process was not free of politics and pain, and some were upset about the outcomes. However, the reductions in programs were made by informed decision-makers after consultations with stakeholders (Duke and Carman).

### Can We Prevent Low Staff Morale?

When programs and services are cut, two classes of staff are affected: those who are laid off and those who remain. As David M. Noer (1993) points out, managers often concentrate on the matters affecting those who are laid off: who will be cut and what will be the arrangements for termination benefits, outplacement services, and other "final" things. This focus is understandable.

In schools, the consequences of layoffs strike hard on the remaining staff. The instructional staff must teach the same numbers of students (or even more students) with less funding. The strain can range from wearing to crushing.

In his study of two Oregon schools before and after major budget cuts, Gregory A. Smith noted that teachers had to be less flexible in their larger classes, simply to preserve order. For teachers in those schools, the issues were not only physical but social, as remaining teachers felt demoralized.

Noer's studies of layoffs in corporations make clear that some strategies can help employees cope after downsizing. Because staff have a thirst for information about which programs are vulnerable, planners should communicate how decisions are being made and where the priority programs lie. At times of crisis, such as downsizing, leaders should also "lead with the heart first and follow with the head"—that is, first acknowledge the staff's feelings and difficulties and then analyze the reasons and the areas for creating efficiencies to deal with the new, more strained arrangements.

Tell the truth, Noer insists, and never say, "The cuts are over now. There shouldn't be any more." Staff members who survive will remember what the planners did and said before the layoffs.

### How Will Downsizing Affect Staff Creativity?

Much depends on how the reductions in staff are handled. Newly reorganized schools are often confusing and frustrating places for experienced staff. Equipment and support services are often reduced before staff layoffs. Thus, what used to take hours to accomplish may now take days. Paper may be rationed or unavailable for copiers. Teachers or administrators whom a teacher used for advice or collaboration may now be gone. In business downsizing, it has been observed, productivity rebounds before creativity. That is, people learn to cope before they learn to innovate.

Teresa Amabile and Regina Conti (1995) studied creativity in one corporation before and after a major downsizing. They make three primary observations.

First is the importance of existing work groups to employees. Problems arose when new work groups were formed from what remained of old groups. The more unstable the work group, the more impediments to innovation.

Second, open communication between decision-makers and staff allowed more creative work after layoffs.

Finally, they found, the degree of downsizing that staff anticipate in the months before layoffs correlated with greater or lesser creativity in the months following. Those who expected more layoffs reported lower levels of risk-taking, less creativity, and lower morale. Innovative work can survive when staff spend less time anticipating a downsizing.

For an organization, the benefits of reducing costs are clear: an invigorated ability to provide present-day benefits to clients and reserve resources for future uses. Schools may find it hard to adopt this view—unlike corporations, their return to stakeholders may not be obviously enhanced by downsizing. However, the strategies needed to reduce costs and refocus programs in the short term may be perennially useful—in allowing schools to remain effective in rosier times ahead.

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